OFFICE OF THE CITY MANAGER

NO. LTC # 139-2013

# LETTER TO COMMISSION

TO:

Mayor Matti Herrera Bower and Members of the City Commission

FROM:

Jimmy L. Morales, City Manager

DATE:

April 22, 2013

SUBJECT: Legislative Update

The purpose of this LTC is to provide the Mayor and City Commission with the attached update on week seven of the Florida Legislative Session.

The Administration will continue working with the City's representatives in support of the legislative agenda, and will provide weekly updates via LTC during the Session. In the meantime, if you have any questions please do not hesitate to contact me.

JLMKGB/kc

Attachments:

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## **MEMORANDUM**

To:

Kevin Crowder

Via electronic mail

From:

Gary Rutledge

Diana Ferguson Jon Costello

Copy:

Fausto Gomez

Bob Levy Manny Reyes Evan Power Jose Diaz Erica Chanti

Date:

April 19, 2013

RE:

2013 Legislative Report, Week 7

## **Critical Legislative Priorities**

## Stadium Funding

SB 306 by Senator Braynon passed its last committee this week. However, HB 165 by Representative Gonzalez has not been heard in its last committee and it differs significantly. The Senate bill proposes to have the Department of Economic Opportunity rank requests from all professional sports teams based on their economic impact. Legislators would then have the option of funding the top proposals at approximately \$13 million per year. The Senate bill also contains a provision providing for long-term repayment of the tax dollars as well as a voter referendum in Miami-Dade County to increase the local hotel bed tax. House Speaker Will

Weatherford said this week that the bill would most likely need to be heard in a committee on the House side because it funds the proposal by eliminating a tax incentive that was created many years ago to help draw international and out-of state banks to Florida.

### **Budget Issues**

## Film and Entertainment

Last year the Legislature allocated \$42 million in new film and entertainment tax credits. Those were committed within an hour of the "first-come-first-served" allocation process. The Legislature has expressed concern with the allocation process and the fact that there is no Return on Investment criteria. This concern extends to all incentive programs. As a result, there are no new credits in this year's first budget drafts. A coalition of stakeholders has been working to secure new credits during the budget conference process. The Governor's Office has also recently expressed concern that it is important to provide new credits and is currently trying to locate a funding source. Budget conferences began Thursday evening and will continue over the next few days. Items that cannot be resolved will be bumped to the Chairs next Tuesday. We will provide more information on this and other budget-related items in next week's report.

## **Legislative Priorities**

### Elections

The Senate laid SB 600 on the table and took up and amended HB 7113 this week but did not pass the bill. It will be up for a final vote in the Senate next week. Because it has been amended further, it will be sent back to the House for another vote. HB 7113 was amended to allow the Secretary of State to discipline underperforming elections supervisors. If a supervisor remained noncompliant for three years in a row, he or she could be suspended by the Governor and ultimately removed by the Legislature. The bill was also amended to allow voters in some counties to cast regular ballots even if they have moved from another county but have not officially changed their addresses yet. This would only apply in situations where the new county uses an electronic database to track voters. An amendment failed that would have required early voting on the Sunday before Election Day.

#### Pension Reform

SB 458 by Senator Ring and HB 1399 by Representative Rooney provide some flexibility in how insurance premium taxes are used to pay for pension benefits. However, the process is very complicated. Also, the bill now locks in police and fire pensions at 1999 benefit levels. The League of Cities is strongly opposed to this bill. SB 458 passed the Senate last week after

several amendments. HB 1399 was on the House Appropriations agenda for Wednesday of this week but was not considered. The House Appropriations Committee meets again today, but the bill was not placed on the agenda.

SB 534 by Senator Brandes and HB 599 by Representative Caldwell provide that the state is not liable for shortfalls in local government retirement pensions and plans. They require defined benefit systems or plans to report certain information to the Department of Management Services and specify the assumptions and methods that are to be used to determine the information submitted. The bills are designed to eliminate discrepancies between the assumed rates of return for earnings and the actual return on investments, and to mandate conservative projections on future liabilities. The League of Cities still opposes this bill, but the sponsors have given the League several amendments to resolve some of their concerns. SB 534 passed the Senate last week and is in House messages. HB 599 is on the House calendar on second reading.

### Parking Meters

HB 7127 by the House Transportation and Highway Safety Subcommittee and Representative Artiles now contains a study in lieu of other substantive provisions relating to parking meters. The study will detail how much money is collected through parking meters in Florida, where they are located, and for what purposes the money is currently used. If a city does not provide data for purposes of the study, the Department of Transportation can remove the city's parking meters. The study will be used as the basis for legislation next year. SB 1132 by Senator Brandes has one committee remaining, Senate Appropriations. The Committee filed a Proposed Committee Substitute (PCS) which does not contain any language relating to parking meters.

## Red Light Cameras

HB 1061 by Representative Artiles was amended this week to prohibit the use of red light cameras for right turns on red. This bill has one committee remaining. The companion, SB 1342 by Senator Abruzzo, does not contain the right hand on red prohibition and has two committees remaining.

#### Windstorm Insurance

SB 1770 was temporarily postponed on third reading on the Senate floor this week after a lengthy and protracted debate. Senator Simmons intends to further amend a portion of the bill dealing with how the new rate structure in the bill would affect buyers of new homes. This is in response to criticism from several South Florida legislators. The amendment would require buyers of new homes who are currently covered by Citizens wind-only policies to first attempt to get coverage from a private firm. If the buyer cannot find a rate within 15 percent of the Citizens

rate, the buyer would be able to purchase a Citizens multi-peril policy. The bill also reduces the number of properties that could be covered under Citizens and would make the company's Executive Director an appointee of the Governor and the state's Chief Financial Officer.

Advocates for legislation to address Citizens have encouraged the Senate to slow down in its approach while the House considers HB 835 by Representative Wood. This bill includes some of the provisions of SB 1770, including a clearinghouse for private firms to pick up the least risky policies, an Inspector General for Citizens, and a slow reduction on the cap on policies to \$500,000, as well as a prohibition on new policies seaward of the coastal construction control line. However, the House has delayed action on passing any legislation until the Senate acts on its bill.

### Synthetic Drugs

SB 294 by Senator Bradley and HB 619 by Representative Ingram would codify the Schedule I scheduling of the substances listed in the Attorney General's emergency rule as well as further additional substances, which are commonly used in making "bath salts." Persons who engage in certain unlawful acts involving these substances would be subject to arrest and prosecution. SB 294 passed the Senate last week. This week, the House laid HB 619 on the table and took up and passed SB 294. The bill has now cleared the Legislature and is on its way to the Governor.

## **Texting While Driving**

HB 13 by Representative Holder and SB 52 by Senator Detert prohibit texting while driving. HB 13 is on the House calendar on second reading. SB 52 passed the Senate this week and is in House messages.

## Other Legislative Issues

## Living Wage

HB 655 preempts local governments from requiring employers to provide certain benefits. It provides specifically that living wage ordinances will sunset in 2016. This bill is in Senate messages.

SB 726 contains a preemption relating to leave benefits but does not preempt living wage ordinances. The Senate bill initially contained additional provisions in state law that would provide certain leave benefits to employees statewide. However, it has been amended to replace those additional benefits with a study group that would examine the issue and make recommendations to the Legislature. This was done at Senator Latvala's request. SB 726 passed

its last committee this week. The Senate does not appear inclined to address the living wage issue and we are working to ensure that the Senate keeps the issue out of its bill.

## **Development Permits**

HB 7019 by the House Economic Development and Tourism Subcommittee and Representative Trujillo and SB 1840 by the Senate Military and Veterans Affairs, Space, and Domestic Security Committee initially required local governments to ensure that developers received all other permits prior to granting a development permit in a mapped flood hazard area. However, in response to concerns from Miami Beach staff, we secured amendments to these bills so that they no longer put the burden on local government. SB 1840 passed its last committee this week. HB 7019 is on the House calendar on second reading.